



AMERICAN CUSTOMER SATISFACTION INDEX

E-GOVERNMENT SATISFACTION INDEX

SEPTEMBER 21, 2004

*Commentary and Analysis by Larry Freed
President and CEO, ForeSee Results*





I. OVERVIEW: CITIZEN SATISFACTION WITH E-GOVERNMENT MOVES AHEAD

Citizen satisfaction with e-government continues to rise, according to the results of the American Customer Satisfaction Index (ACSI) E-Government Satisfaction Index. Overall, customer satisfaction scores have seen a slight increase since last quarter, with a current aggregate score of 71.2 compared to last quarter's aggregate score of 70.3. As a point of comparison, the latest aggregate ACSI score, which measures cross-industry customer satisfaction, was 74.4.

This quarter, the 54 e-government sites included in the benchmark are categorized into four sub-sets: Portals/Department Main Sites, Information/News, E-commerce/Transactions, and Recruitment/Careers. Each category shows improved aggregate scores, with the portal category showing a sustained quarter-over-quarter increase since e-government citizen satisfaction scores were first reported one year ago. Additionally, each category boasts one or more stand-out sites whose scores indicate an ongoing focus on citizen satisfaction. Loyalty to the online channel for interactions with the federal government remains strong.

At the same time, all the news is not positive. A higher number of agencies report declining citizen satisfaction scores from last quarter than those that show gains. While about a third of the 54 measured e-government sites show increases in citizen satisfaction scores, 41% report lower scores this quarter than last, which is a troubling trend, in spite of the aggregate e-government satisfaction score improvement.

Key Findings

- The e-government aggregate score shows an upward trend from last quarter (1.2% increase)
- Citizen satisfaction assessment is driving improvement at some government websites
- Channel loyalty to government websites remains high and is rising slowly
- As a category, portals show a consistent upward trend in citizen satisfaction scores over the past year
- Of the sites measured both this quarter and last, a higher number show decreased scores than increased scores

"E-government sites face an enormous challenge in meeting citizen expectations," said Anne Kelly, CEO of the Federal Consulting Group in the Department of the Treasury and the government agent for the American Customer Service Index. "The private sector has far greater resources to devote to innovation and customer satisfaction. More e-government sites have had to make do with existing resources, leading to a decline of customer satisfaction in some cases. Even so, there are instances where e-government sites have managed to forge ahead in spite of the considerable challenges they face."

For More Information

1.800.621.2850

www.ForeSeeResults.com





II. THE ACSI METHODOLOGY

The ACSI E-Government Satisfaction Index is a special quarterly report of the ACSI, which is produced by the University of Michigan in partnership with the American Society for Quality (ASQ), ForeSee Results and the CFI Group. The ACSI is a cross-industry measure of offline customer satisfaction that measures the performance of approximately 200 private sector companies, as well as many government agencies. ForeSee Results collects and analyzes the data for the e-government websites included in the report.

ACSI e-government scores were calculated based on data gathered from voluntary online surveys of site visitors. Each government website was rated by its visitors on various components of overall satisfaction. The ratings were converted to a score on a 0-100 scale using the ACSI methodology.

III. CITIZEN SATISFACTION MEASUREMENT DRIVES CHANGE AND IMPROVEMENT AT SOME GOVERNMENT WEBSITES

Eighteen sites showed improved scores since last quarter. These sites may serve vastly different audiences, strive to meet different objectives and have varying levels of available budgetary and manpower resources. However, they have one thing in common: they use the data gathered through the citizen satisfaction measurement process to guide their efforts to enhance the online experience to better meet citizens' needs.

The ACSI methodology identifies which drivers of satisfaction are top priorities, or where changes will have the greatest impact on overall citizen satisfaction. The Government Accountability Office (GAO) utilized this information to make a number of changes to its site, including a streamlined design that prominently highlights the most frequently used features. It also revamped the site to better meet the needs of various user groups. Additionally, a new architecture makes it much easier for citizens to find what they need. Positive results followed the changes, including a four point increase in GAO's satisfaction score over last quarter.

While some sites enhance their ability to serve citizens through comprehensive changes, others make smaller, incremental changes. The Social Security Administration's main website, www.socialsecurity.gov, and the Department of Justice's National Criminal Justice Reference Center, www.ncjrs.org, are two examples of sites that have made incremental modifications. Both saw their scores rise by two points from last quarter, to 75 and 79 respectively.

NASA is an example of a site where traffic can be greatly influenced by specific events, meaning that the agency needs to meet the changing needs of an audience that ebbs and flows. The agency saw a huge spike in site visitors interested in tracking the progress of the Cassini mission to Saturn. NASA was able to provide relevant content that satisfied its site visitors, and saw its citizen satisfaction score increase three points since last quarter to 77.

Loyalty To Government Websites Remains High

The ACSI methodology also assesses how loyal citizens are to government websites by looking at the public's "likelihood to return" to the site and "likelihood to recommend" it to others. From last quarter, these scores both increased one point, to 82 and 77, respectively.

For More Information
1.800.621.2850
www.ForeSeeResults.com





IV. LARGE NUMBER OF SITES SHOW DECLINING SCORES

Of the 54 sites in this quarter's index, 41% report lower scores than they did in the last quarterly benchmark. This is disheartening, considering that improving citizen satisfaction must remain an ongoing focus for the government if it wants to continue to deliver the services and information that the American public demands through the convenient, cost-efficient web channel.

What accounts for this decline in scores for such a significant number of measured e-government sites? Several factors are likely at play:

- The growing gap between the continuously improving private sector websites, and the public sector websites scores;
- Budgetary and manpower resource constraints may prevent some agencies from making changes to their websites that would positively affect citizen satisfaction;
- The negative publicity associated with the upcoming presidential election and its negative reflection on government services in general may alter public perceptions

Citizen expectations of the online experience don't stand still. E-commerce and e-business satisfaction scores have shown gradual upward trends over the past year and the category leaders still enjoy a healthy lead over most comparable e-government websites. As e-government becomes a more mature communication channel, e-government websites must continue to deliver a better experience to maintain or improve citizen satisfaction. At a time where government agencies are challenged by resource and budgetary constraints, this may be easier said than done.

Whenever there's a disconnect between what a website delivers and what citizens expect, dissatisfaction increases. Conversely, sites that can identify the priorities of their citizens and deliver on citizens' needs and expectations will likely see steady or increasing satisfaction scores over the long term.

Another factor that may be influencing scores is well outside of agencies' control. Citizens' perceptions may also be influenced somewhat by the negative campaigning and publicity associated with the upcoming presidential election. In this context, it's possible that citizens judge the government, and, in turn government websites, more harshly in an election year as they think about the question "How well is the current administration meeting my needs and exceeding my expectations?"

V. A LOOK AT CUSTOMER SATISFACTION BY CATEGORY

Fifty-four sites measured in the third quarter 2004 fall into four categories:

Category	Aggregate Score
Aggregate e-government score	71.2
Portals/Department Main Sites	70.5
Information/News	71.2
E-commerce/Transactions	69.2
Recruitment/Careers	77.0

For More Information
1.800.621.2850
www.ForeSeeResults.com





VI. PORTALS: UPWARD TREND SINCE FIRST MEASUREMENT

Fourteen sites comprise the portal/department main site category, which includes the Department of the Treasury, the Department of State and the General Services Administration, among others. Scores in this category range from a low of 56 to a high of 78. More than half of the portals showed an increase in their scores from last quarter.

The National Institute of Standards Technology site, www.nist.gov, shows a strong score of 78 for the second quarter in a row. NASA's main web site and the National Archives and Record Administration's (NARA) Presidential Libraries both follow with solid scores of 77. The NARA Presidential Libraries site showed an increase of three points in its score during a time when it added several presidential libraries.

With an overall category score of 70.5, government portals are on par with private sector portals, which reported an aggregate score of 71 in the most recent ACSI Annual E-Business Report. The government portal category has shown an increase in scores each quarter since it was first measured in third quarter 2003, with an impressive year-over-year increase in aggregate satisfaction scores of 7%.

Government portals have taken a cue from private industry and evolved from online brochures containing minimal data to highly organized sites that help citizens navigate through a wealth of available information.

ID	E-Government U.S. Agency/ Department/Office	Website	9/04 Score
Portal/Department Main Websites			
NIST	National Institute of Standards and Technology, Commerce	NIST main website www.nist.gov	78
NASA	National Aeronautics and Space Administration	NASA main website www.nasa.gov	77
NARA	National Archives & Records Administration	NARA Presidential Library websites http://archives.gov/presidential_libraries/index.htm	77
NLM	National Library of Medicine, National Institutes of Health, HHS	NLM main website www.nlm.nih.gov	76
SSA	Social Security Administration	SSA main website— www.socialsecurity.gov/	75
GSA	General Services Administration	FirstGov.gov website (Spanish) http://firstgov.gov/Espanol/index.shtml	74
State	Department of State	Department of State main website— www.state.gov	73
GAO	Government Accountability Office	GAO main public website— www.gao.gov	71
GSA	General Services Administration	FirstGov.gov website— www.firstgov.gov	70
DOT	Federal Aviation Administration	FAA main website— www.faa.gov	69
USPTO	United States Patent & Trademark Office	USPTO main website— www.uspto.gov	66
Treasury	Department of the Treasury	Treasury main website— www.treasury.gov	66
DOT	Department of Transportation	DOT main website— www.dot.gov	59
GSA	General Services Administration	GSA main website— www.gsa.gov	56

For More Information

1.800.621.2850

www.ForeSeeResults.com





VII. INFORMATION/NEWS SITES:

WIDE RANGE OF SCORES ACROSS LARGE CATEGORY

The aggregate score for information/news sites, the grouping with the highest number of participants, rose this quarter from 70 to 71.2. This score still lags the private sector news/information category, which had a score of 75 in its last measurement. In this grouping, the largest in the e-government category, 10 of the 28 sites that were measured both last quarter and this quarter show an increase in their scores. Scores in this category range from a high of 86 to a low of 59.

One challenge that many government information and news sites face is understanding their audience. While certain sites have a target audience of professionals in a specific area, they tend to also attract lay people, who tend to be less satisfied with their ability to access the information they seek.

Health information site MedlinePlus remains the highest scoring site in both the information/news segment and in the overall index. Its score of 86, up one point from last quarter, compares quite favorably to "gold standard" site Amazon, which had a score of 88 in its last ACSI e-commerce measurement. Once again, the Spanish version of MedlinePlus boasts the second highest score in the index (83), followed closely by the National Women's Health Information Center's main website, www.4woman.gov, which is up one point from last quarter to 82. These stellar scores prove that government health information sites can compete with private sector sites.

ID	E-Government U.S. Agency/ Department/Office	Website	9/04 Score
Information/News Websites			
NLM	National Library of Medicine, National Institutes of Health, HHS	MedlinePlus Main Website http://medlineplus.gov	86
NLM	National Library of Medicine, National Institutes of Health, HHS	MedlinePlus en español— http://medlineplus.gov/esp/	83
OWH	Office on Women's Health, HHS	National Women's Health Information Center (NWHIC) main website— www.4woman.gov	82
BLS	Bureau of Labor Statistics	BLS Occupational Outlook Handbook http://www.bls.gov/oco	82
NCI	National Cancer Institute, National Institutes of Health, HHS	National Cancer Institute main website www.cancer.gov	80
NCJRS	National Criminal Justice Reference Service, Justice	NCJRS website www.ncjrs.org	79
NIJ	National Institute of Justice, Justice	NIJ main website— http://www.ojp.gov/nij	76
NLM	National Library of Medicine, National Institutes of Health, HHS	TOXNET main website http://toxnet.nlm.nih.gov	75
NRCS	Natural Resources Conservation Service, Agriculture	NRCS website http://www.nrcs.usda.gov	74
OJJDP	Office of Juvenile Justice and Delinquency Prevention, Justice	OJJDP website http://ojjdp.ncjrs.org	74
NLM	National Library of Medicine, National Institutes of Health, HHS	AIDSinfo main website http://aidsinfo.nih.gov/	74
CDC	Center for Disease Control, HHS	CDC main website— www.cdc.gov	74
SSA	Social Security Administration	"SSA FAQ"— http://ssa-custhelp.ssa.gov	74

For More Information

1.800.621.2850

www.ForeSeeResults.com



ID	E-Government U.S. Agency/ Department/Office	Website	9/04 Score
<i>Information/News Websites (continued)</i>			
NIAID	National Institute of Allergy and Infectious Diseases, HHS	NIAID main website http://www.niaid.nih.gov	73
FAS	Foreign Agricultural Service, Agriculture	FAS main website— www.fas.usda.gov	72
ERS	Economic Research Service, Agriculture	ERS main website— www.ers.usda.gov	71
NASS	National Agricultural Statistics Service, Agriculture	NASS main website http://www.usda.gov/nass	70
NARA	National Archives & Records Administration	NARA main public website— www.archives.gov	69
IIP	International Information Programs, State	IIP main website— http://usinfo.state.gov	69
BJA	Bureau of Justice Assistance, Justice	BJA main website— http://www.ojp.usdoj.gov/BJA	69
USDA	National Agricultural Library, Agriculture	NAL main website— www.nal.usda.gov	69
FS	Forest Service, Agriculture	Forest Service main website— http://www.fs.fed.us	68
DOS	Department of State	US Embassy, Belgium main website http://www.usembassy.be/main.html	68
FSIS	Food Safety and Inspection Service, Agriculture	FSIS main website www.fsis.usda.gov	67
FSA	Farm Service Agency, Agriculture	FSA main website— www.fsa.usda.gov	66
DOS	Department of State	US Embassy, Belgium website (French) http://www.usembassy.be/fr/fr.main.html	65
DOS	Department of State	US Embassy, Belgium website (Dutch) http://www.usembassy.be/nl/nl.main.html	65
DOS	Department of State	Student website— http://future.state.gov	63
RD	Rural Development, Agriculture	Rural Development main website http://www.rurdev.usda.gov	62
ESA	Employment Standards Administration, Labor	ESA main website www.union-reports.dol.gov	60
CSREES	Cooperative State Research, Education, and Extension Service, Agriculture	CSREES main website http://www.csrees.usda.gov	60
NARA	National Archives & Records Administration	NARA AAD - Access to Archival Databases http://aad.archives.gov/aad/title_list.jsp	59

VIII. E-COMMERCE/TRANSACTIONS:

A FEW STRONG SITES, WHILE CATEGORY LAGS PRIVATE SECTOR

With an aggregate score of 69.2, government e-commerce/transaction sites continue to significantly lag the private sector ACSI E-Commerce category, which reports a high overall score of 80.8. There are few government agencies that sell directly or conduct transactions online at this point, but as e-government grows increasingly mainstream, we expect to see rising satisfaction scores while e-commerce becomes more mature in the government sector.

The U.S. Mint Online Catalog remains the leader in this category with an impressive score of 80, up one point from last quarter. This site competes directly with private sector collectibles websites and rises to the challenge.

The Social Security Administration's Retirement Planner site, a new addition to this category, turned in a solid score of 77, fueled by a series of incremental improvements which have succeeded in raising user satisfaction.

For More Information
1.800.621.2850
www.ForeSeeResults.com





ID	E-Government U.S. Agency/ Department/Office	Website	9/04 Score
E-Commerce Websites			
Mint	United States Mint, Treasury	Online Catalog— http://catalog.usmint.gov	80
SSA	Social Security Administration	SSA Retirement Planner http://www.socialsecurity.gov/r&m1.htm	77
GSA	General Services Administration	GSA Global Supply website https://www.globalsupply.gsa.gov	65
GSA	General Services Administration	GSA Advantage website https://www.gsaadvantage.gov	63
PBGC	Pension Benefit Guaranty Corporation	PBGC main website— http://www.pbgc.gov	61

IX. RECRUITMENT/CAREERS: AGGREGATE SCORES REMAIN STRONG

An aggregate score of 77 puts overall citizen satisfaction with recruitment/career sites at the top of the four government segments. Overall, this segment shows an increase over last quarter, when it reported an aggregate score of 75.8.

ID	E-Government U.S. Agency/ Department/Office	Website	9/04 Score
Recruitment/Careers Websites			
CIA	Central Intelligence Agency	Recruitment website http://www.cia.gov/employment	79
OPM	Office of Personnel Management	Recruitment website -- www.usajobs.opm.gov	76
DOS	Department of State	Recruitment website -- www.careers.state.gov	76

X. SUMMARY: IMPROVE PERFORMANCE USING CITIZEN SATISFACTION GUIDANCE

For some agencies and websites, attaining high degrees of citizen satisfaction appears easy. For others, it remains an elusive goal. Savvy agencies that measure citizen satisfaction and use the findings to make meaningful and impactful changes to their websites adhere to the following tenets:

1. *Know who is coming to your site.* A site may have only one audience, or it may have to serve different segments. It's important to define your audience in order to meet their needs. Many government sites serve vastly different audiences with a wide array of needs and expectations. Agencies need to understand the needs of the many diverse audience segments and determine which are their highest priority.
2. *Know what your site visitors want.* You may think you know what visitors are looking for, but you don't truly now until you hear it directly from users of your site. Even more importantly, agencies must be sure to gather feedback on a representative sampling basis, instead of relying on anecdotal comments and focus groups whose input isn't always projectable to the entire website audience.

For More Information
1.800.621.2850
www.ForeSeeResults.com





3. *Measure how well your site meets the needs and exceeds the expectations of visiting citizens, while benchmarking your site against others.* Benchmarking shows you how your site fares against others. Combined with "voice of the customer" data, you'll have a solid foundation for developing an improvement plan.
4. *Determine which changes will have the most impact on satisfaction and citizens' future behaviors.* Surprisingly, sometimes the changes that seem most important really aren't, according to citizen data. Knowing which changes will have the greatest impact on behavior ensures that you invest your time, money and resources where they'll have the highest ROI.
5. *Prioritize and make changes.* Budgetary and resource issues may prevent you from making large-scale changes all at once. Prioritizing and mapping out a long-term plan should lead to higher citizen satisfaction.
6. *Evaluate the success of the changes and identify ongoing opportunities for improvement through ongoing measurement.* Satisfaction measurement is an ongoing process, not a one-time event. As changes occur, either based on the agency's actions or outside factors, citizen perceptions and priorities can shift.

ABOUT THE AUTHOR

Larry Freed is an expert on Web Effectiveness and Web Customer Satisfaction. He is also President and CEO of ForeSee Results, a market leader in customer satisfaction measurement on the web, which utilizes the methodology of the American Customer Satisfaction Index.

ABOUT THE ACSI

The American Customer Satisfaction Index (ACSI) is the only uniform, national, cross-industry measure of satisfaction with the quality of goods and services available in the United States. In 1999, the Federal government selected the ACSI to be a standard metric for measuring citizen satisfaction. Over 55 Federal government agencies have used the ACSI to measure citizen satisfaction of more than 110 services and programs. The Index is produced by a partnership of the University of Michigan Business School, American Society for Quality (ASQ) and CFI Group, an international consulting firm. ForeSee Results sponsors the e-commerce, e-business and e-government indices. The Federal Consulting Group, a franchise within the Department of the Treasury, is the executive agent for the ACSI and the federal government.

ABOUT FORESEE RESULTS, INC.

ForeSee Results is the market leader in online customer satisfaction management and specializes in converting satisfaction data into user-driven web development strategies. Using the methodology of the University of Michigan's American Customer Satisfaction Index (ACSI), ForeSee Results has created a model that scientifically quantifies the elements that drive online customer satisfaction and predicts future behaviors, including the likelihood to return to the site or recommend the site to others. ForeSee Results, a privately held company located in Ann Arbor, Michigan, can be found online at www.ForeSeeResults.com.

For More Information
1.800.621.2850
www.ForeSeeResults.com





ABOUT THE FEDERAL CONSULTING GROUP

The Federal Consulting Group, a franchise of the Department of the Treasury, serves as the executive agent in the government for the American Customer Satisfaction Index (ACSI), and holds generic clearance from the Office of Management and Budget that enables agencies to utilize the ACSI without having to obtain a separate clearance under the Paperwork Reduction Act to conduct customer satisfaction surveys. Agencies can participate in the ACSI through an arrangement between the Federal Consulting Group and ForeSee Results.

For More Information

1.800.621.2850

www.ForeSeeResults.com



ForeSee Results is a trademark or registered trademark of ForeSee Results. All other company or product names are trademarks of their respective owners.

© 2004 ForeSee Results. All rights reserved.